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**Subject: Personal Funds Financial Management** - **Effective Date:** July 1, 2017

**Qualified Providers** **Revised Date:** August 1, 2018

**Section:** Qualified Providers **Approved:**/s/Jordan A. Scheff/KRB

**Policy Statement**

The Department of Developmental Services (DDS) qualified providers, including private agencies, organizations, and individual practitioners, have a fiduciary responsibility to safeguard the finances of any individual for whom the provider manages personal funds. All DDS qualified providers are required to take reasonable steps to secure an individual’s funds from loss or theft and provide an accurate accounting of the use of each individual’s personal funds.

1. **Purpose**

The purpose of this procedure is to ensure that individuals’ personal funds are accessible, properly accounted for, and safeguarded by the qualified providers responsible for management. The procedure also specifies appropriate levels of flexibility in financial management of these funds based on each individual’s preferences and abilities, as specified in his or her Individual Plan (IP).

1. **Applicability**

This procedure governs the handling of personal funds belonging to individuals supported in privately-operated Community Living Arrangements (CLA), Continuous Residential Supports (CRS), respite residences, and non-24-hour support settings in cases where the qualified provider has control over the individual’s personal funds (e.g. individual’s own apartment). This procedure does not govern the personal funds of an individual residing in a Community Companion Home (CCH). Community Companion Home (CCH) licensees are required to handle an individual’s personal funds in accordance with DDS [CCH Licensing Regulations](http://www.ct.gov/dds/cwp/view.asp?a=2839&q=379146) 17a-227-30 subsection (d) “Protection of Resident Financial Interests.”

1. **Definitions**

“Aggregate account” means a bank account established in Connecticut by the qualified provider, in which the state and federal benefits of all individuals in a specific home are held in aggregate.

“Cash-on-Hand” means a pre-determined amount of the individual’s personal funds, as agreed upon by the Planning and Support Team and written in the Individual Plan, which is kept in the individual’s residence for his or her immediate access to personal funds.

“Electronic record” means a secure document created, generated, sent, communicated, received, or stored by electronic means, including, but not limited to, facsimiles, e-mail, telexes, Internet messaging, or any electronic service that delivers communications to recipients.

“Individual” means a person who has been determined eligible for and is receiving funding or services from DDS.

“Personal funds” means an individual’s money in a checking account, savings account, cash-on-hand, and any other monetary assets belonging to the individual.

“Personal Needs Allowance” means the portion of Social Security (SS), Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Supplemental Nutrition Assistance Program (SNAP), Department of Social Services (DSS), and Department of Developmental Services (DDS) benefits and the individual’s wages that an individual is entitled to keep for his or her personal use when receiving supports in a licensed setting. A personal needs allowance sometimes may be referred to as a “personal expense allowance.”

“Personal possessions” means items belonging to the individual, including items purchased with the individual’s personal funds, items received as gifts, and items of an emotional or sentimental value to the individual.

“Provider” means a person, firm or corporation that has met DDS criteria to become qualified to provide residential services or employment opportunity or day services to an individual who receives funding or services from the department.

“Representative payee” means a person or organization that receives state and federal benefit payments on behalf of an individual who is unable to manage his or her money.

“Supervisor” means a staff person who is responsible for the day-to-day operation and supervision of the direct care staff at an individual’s home or program.

1. **Implementation**
2. **Financial Management**

The level of financial management or oversight required of the qualified provider for any individual whom they support, including any individual who is able to manage his or her own finances, shall be approved by the individual’s Planning and Support Team (PST) and documented in the Finance section of the individual’s Individual Plan (IP).

1. **Levels of Financial Management**

The level of an individual’s financial management of his or her own funds shall be determined by an assessment process and approved by the individual’s Planning and Support Team. The financial management assessment shall be completed by the provider for each individual, reviewed and approved each year by the individual’s PST, and documented in the individual’s IP. The individual’s financial management assessment shall be kept at the individual’s home and may be made available to persons with the right to access the individual’s HIPAA-protected information upon request.

1. **Aggregate Bank Accounts**

If the qualified provider is a representative payee and maintains an aggregate account for more than one individual’s state and federal benefit payments, the provider shall report the aggregate funds in their annual audited financial statement and specifically identify the total amount for all individuals funded by the Department of Developmental Services. Aggregate bank accounts are subject to the requirements in sections 7, 8, and 9 of this procedure.

1. **Personal Bank Accounts**

If an individual handles all or a portion of his or her finances, the individual, with the help of his or her provider, should establish a checking or savings account, or both, at a bank in the individual’s local community. A separate community bank account shall be kept for each individual. Any of an individual’s personal funds that are not secured at the individual’s residence shall be kept in his or her community bank account. A supervisor shall reconcile each individual’s account each month. A record of the reconciliation shall be kept on file and accessible to persons with the right to access the individual’s HIPAA-protected information. Any community bank account under an individual’s name shall be reviewed by the individual’s PST each year and documented in the individual’s IP. All documentation concerning community bank accounts shall be written in permanent ink.

1. **Qualified provider requirements for policies and procedures concerning individuals’ bank accounts and other benefits**

A qualified provider shall have policies and procedures in place that address the following conditions:

1. How the provider, as an individual’s Representative Payee, shall manage the individual’s income and benefits from Social Security (SS), Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Supplemental Nutrition Assistance Program (SNAP), Department of Social Services (DSS), Department of Developmental Services (DDS), and paying jobs.
2. How an individual’s checking and savings account transactions, deposits and withdrawals shall be recorded, using a separate bank-issued register or passbook, or an agency-approved ledger for each individual. Policies must include provisions detailing that all checking transactions shall be initialed by a staff person assisting with the transaction. Statement savings accounts are recommended over passbook accounts because of their greater account detail.
3. That a staff person shall not (1) sign an individual’s check; (2) have a staff person’s name appear on or be associated with an individual’s personal checking or savings account; (3) have an individual’s check made payable to “Cash” or made out to any staff person; or (4) access an individual’s personal checking or savings account without (A) the individual being present, or (B) specific written permission from the individual’s Planning and Support Team.
4. Identifying the level of staff who will be able to access an individual’s checking and savings accounts, ATM card, debit card, EBT card, PIN numbers, and electronic banking, either (1) with the individual being present, or (2) with specific written permission from the individual’s Planning and Support Team,. Policies must include provisions detailing that all ATM, debit, and EBT cards shall be kept locked and secured when not in use, and PIN numbers shall be restricted only to the level of staff listed in the agency’s procedure. Procedures must include provisions detailing how the agency protects the security of login and password information for electronic banking, and the level of staff with access to this information.
5. How a money order shall be purchased and used only with the approval of the individual’s PST, and shall be documented in his or her IP.
6. How an individual’s shopping cards, incentive cash cards and discount cards shall be used only for the benefit of the individual who originated the purchase. Policies must include provisions detailing that any incentive earned shall be secured and accounted for in the same manner as an individual’s cash; staff persons shall not benefit from any incentive, award or reward points at the expense of the individual or the state, if state funds were used in the purchase.
7. How an individual’s gift cards shall be treated as cash and the balance of each gift card shall be listed and tracked on a separate cash-on-hand ledger for each individual.
8. How an individual’s SNAP benefits shall be treated as cash and the balance shall be listed and tracked on a separate cash-on-hand ledger for each individual.
9. **An Individual’s Cash-on-Hand**

An individual shall have immediate access to a small amount of cash via a cash-on-hand account.  This amount shall be pre-determined by the individual’s PST based on the individual’s needs and the financial management assessment approved by the PST. The provider shall ensure maintenance of receipts for an individual’s cash-on-hand disbursed or received for any item or any transaction in excess of $20.00, unless the individual’s PST determines that receipts should also be maintained for purchases under this threshold.

The maximum amount of cash-on-hand that is kept in a home should be no more than one month’s personal needs allowance for each individual. An individual’s PST may request that an individual’s cash-on-hand exceed the limit of one month’s personal needs allowance based on the individual’s needs and, if allowed, the amount shall be documented in the individual’s IP.

1. **Personal Needs Allowance**

The individual’s personal needs allowance belongs to the individual. To ensure that this allowance is safeguarded and always available for the individual’s personal needs, each individual’s personal needs allowance shall be accounted for separately. The provider shall ensure that each individual receives his or her personal needs allowance each month. Any portion of an individual’s personal needs allowance not kept as cash-on-hand in the home shall be held in a bank account in the individual’s name.

1. **Employment Opportunity or Day Services Program Expenses**

An individual’s employment opportunity or day services provider shall be responsible for securing, accounting, and documenting use of any individual’s cash-on-hand for activities when at employment opportunity or day services programs. The employment opportunity or day services provider shall ensure maintenance of receipts for an individual’s cash-on-hand disbursed or received for any item or any transaction in excess of $20.00, unless the individual’s PST determines that receipts should also be maintained for purchases under this threshold.

1. **Expense Payments to Accompany Individuals to Events**

An individual or an individual’s family may pay for staff expenses related to staff accompanying an individual to an activity or event, with adherence to the following documentation procedures:

1. If total payment for staff expenses is less than $200, the provider shall review, authorize and keep a record of receipts in accordance with I.G.PR.009 [Independent Contractor or Consultant Ethics Compliance Protocol](http://www.ct.gov/dds/lib/dds/dds_manual/ig/igpr009_ethics_compliance_protocol.docx). Staff expenses less than $200 do not have to be submitted to the DDS Ethics Committee for Independent Contractors and Consultants; however, these expenses may be subject to an audit.
2. If total payment for staff expenses is $200 or more, a request must be submitted to the DDS Ethics Committee for Independent Contractors and Consultants under the following guidelines:
3. Post approval by the Committee must be requested not later than 90 days after an activity or event if staff expenses $200 or more, but less than $2,000 per activity or event.
4. Prior approval by the Committee must be requested not later than 90 days in advance of an activity or event if staff expenses are estimated to total $2,000 or more per activity or event.
5. **Prohibition on the Use of an Individual’s Personal Funds for Donations to His or Her Support Provider**

In accordance with I.F.ADV.003 [The Use of Client’s Personal Funds for Donations to Their Support Provider](http://www.ct.gov/dds/lib/dds/dds_manual/if/i_f_ad_003_clients_personal_funds_donation.pdf), an individual’s personal funds may not be used as donations to provide funding to his or her support providers or its employees without oversight by the individual’s legal representative, case manager, and PST.

1. **Receipts and Supporting Documentation**

The extent and type of documentation required to satisfy the “accountability” requirements of [Section 17a-227-19(a)(1)](http://www.ct.gov/dds/cwp/view.asp?a=2839&q=331698) of the Regulations of Connecticut State Agencies is contingent upon whether the individual or the provider is responsible for handling the individual’s money.

1. If the individual demonstrates an ability to properly handle his or her own money, as documented through a financial management assessment and the individual’s IP, then documentation and receipts for the actual expenditures by the individual would not be required as long as there is adequate documentation that: (1) the individual is capable of handling money; and (2) the individual has signed a receipt for the money he or she has withdrawn.
2. If an individual does not demonstrate an ability to properly handle his or her own money or determining his or her needs, as documented through a financial management assessment and the individual’s IP, then expenditures using the individual’s money shall be managed or overseen by the provider staff. Complete documentation by the provider shall include, but not be limited to, bona fide receipts from any store, merchant, or restaurant where a purchase has been made. Provider staff shall make every effort to obtain separate receipts for each individual’s expenditures. If a separate receipt has not been provided, the provider shall clearly indicate on the receipt which expenditures were paid for by each individual (e.g., if three individuals ate at a restaurant and separate checks were not available, the provider is responsible for ensuring that the receipt indicates which food items were paid for by which individual.)
3. A provider shall ensure that all receipts are filed and maintained in the same manner as any other accounting records and as required by the provider’s contract with DDS. Receipts and supporting documents shall be returned to and filed at the individual’s home on the same day of any purchase. During an audit, the absence of appropriate documentation, including receipts, may result in an expenditure being disallowed as an appropriate use of an individual’s funds. In the case where an expenditure is disallowed, the provider shall be required to reimburse the individual for the disallowed expenditure.
4. A provider shall maintain a complete accounting of room and board records for each individual. Room and board records shall be subject to monitoring, inspection, review, or audit by authorized employees or agents of the State or, when applicable, federal agencies at any reasonable time. The provider shall retain all such records concerning an individual’s room and board for a period of ten (10) years after the completion and submission of the provider’s annual financial audit to the state, as per section 17a-313b-14 of the Regulations of Connecticut State Agencies. These records shall be made readily available at the provider’s Connecticut-based administrative office. Each individual’s room and board records shall include the following:
5. The individual’s name;
6. the amount of the individual’s room and board;
7. the date of each payment of room and board; and
8. the amount of each room and board payment.
9. **Securing an Individual’s Funds and Records**
10. A provider shall be responsible for the safekeeping and accountability of an individual's personal funds. Each individual’s cash-on-hand kept in a 24-hour staff-supported home shall be stored in a separate money envelope or other method of storage, which then shall be stored in a locked safe or locked file cabinet. The control and safeguarding of an individual’s personal funds extends both to its physical custody and protection of the individual’s funds from misuse.
11. For an individual with less than 24-hour services, the provider shall develop a plan for the safekeeping and accountability of an individual's personal funds, based on the individual’s financial management assessment, to prevent misuse of any cash-on-hand kept at the individual’s home or program. The individual’s PST shall review this plan each year and document it in his or her IP.
12. The amount of cash-on-hand allowed to be kept on an individual’s person shall be determined by the individual’s financial management assessment, which will be reviewed and approved each year, and documented in the individual’s IP.
13. **Record Keeping Requirements**
14. The provider shall maintain and make available original paper receipts, banking records, documents, financial records and other evidence of accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature incurred by the individual for whom the provider has control over the individual’s personal funds.
15. A provider shall account for each individual’s personal funds in a separate ledger. The provider may keep separate ledgers for an individual’s cash-on-hand and personal bank account. The individual’s ledger or ledgers shall include an accounting of the individual’s cash-on-hand in the home and any funds in the individual’s personal checking or savings accounts. The individual’s ledger or ledgers shall clearly provide the following information:
16. The individual’s current balance of personal funds;
17. Any purchases made using an individual’s personal funds. The individual’s ledger shall include the amount of a purchase, date of the purchase, vendor or store name, and a brief description of the type of items purchased;
18. Any deposits to or withdrawals from an individual’s personal bank account. The individual’s ledger shall include the source and amount of the personal funds deposited to the individual’s account. These funds shall include the individual’s monthly personal needs allowance, wages, any additional money received from the individual’s family or friends, or money received as a gift. The individual’s ledger shall also include the amount and recipient of and reason for any withdrawal from the individuals’ account;
19. If the individual’s home is ICF/IID-certified then the provider also shall include the signature of the staff who expended an individual’s funds and the signature of the individual in the individual’s ledger.
20. A supervisor shall reconcile each individual’s ledger each month. A record of the reconciliation shall be kept on file and accessible to persons with the right to access the individual’s HIPAA-protected information.
21. Accounting of an individual’s account balances shall be kept current. Accordingly, personal funds taken by or on behalf of the individual from the individual’s cash-on-hand shall be recorded in the account ledger as a withdrawal at the same time as the funds are taken from the individual’s money envelope or other method of storage. If money is subsequently returned to the individual’s money envelope as “change,” provider staff shall record the money that was returned as a deposit in the account ledger. Personal funds taken by or on behalf of the individual from the individual’s personal bank account shall be recorded in the account ledger on the same day as the purchase or withdrawal.
22. If the provider maintains an individual’s state and federal benefits in an aggregate account, the provider shall report the aggregate total of funds in the provider’s annual audited financial statement.
23. The reconciled monthly records of each individual’s personal funds shall be kept on file at the individual’s home.
24. An individual’s paper and electronic financial records shall be subject to monitoring, inspection, review and audit by authorized state employees or, when applicable, authorized employees of federal agencies at all reasonable times. The provider shall retain all such records concerning the individual’s finances for a period ten (10) years after the completion and submission of the provider’s annual financial audit to the state as per section 17a-313b-14 of the Regulations of Connecticut State Agencies. These records shall be made readily available at the provider’s Connecticut-based administrative office. The individual’s financial records shall include the individual’s personal checking or savings account statements, check ledgers or passbooks, cash-on-hand ledgers, receipt books, room and board account records, and all other documents and receipts relating to the individual’s finances.
25. **Electronic Record Keeping Requirements**
26. Prior to establishing an electronic record keeping system, a provider shall submit an electronic record keeping procedure to DDS for approval that addresses the following:

1. The job titles of staff able to access the electronic record keeping system;
2. The job titles of staff able to create and dispose of electronic records;
3. The location of the provider’s original paper records;
4. Details of the provider’s backup system for electronic records, including a system backup schedule and a plan to provide access to electronic records in the case of loss of power or natural disaster;
5. Method of migration of electronic records when hardware, operating systems, or software applications are changed or upgraded;
6. Security measures to prevent unauthorized access of electronic records;
7. Method of retrieval of electronic records, (e.g., searchable database) so that electronic records are available upon request;
8. Method of disposal of electronic records; and
9. The job titles of staff responsible for electronic record keeping management.
10. If a provider chooses to establish an electronic record keeping system, it is the sole responsibility of the provider to provide for the security, safekeeping, and backup of all records entered into the electronic record keeping system. In addition the provider shall follow the record keeping requirements listed in Section 9 “Record Keeping Requirements” of this procedure and any state or federal requirements for maintaining records in an electronic record keeping system.
11. **Personal Possessions Inventory**

An individual’s personal possessions inventory shall be an up-to-date list of items the individual has purchased or received as gifts and any of these items that the individual has discarded, given away, sold or no longer has in his or her possession. The inventory shall include all original entries of items purchased or gifts received from the date the individual moved into a 24-hour staff-supported home until the date the individual moves from the home or discontinues services from the provider. The original personal possessions inventory shall be transferred to the new provider if the individual chooses to exercise portability.

1. Each individual residing in a 24-hour staff-supported home shall have a separate personal possessions inventory to be completed by the provider on the first day the individual moves into the home. The provider shall be responsible for ensuring that an individual’s personal possessions inventory includes all items either purchased with the individual’s personal funds or received as gifts and valued at $55.00 or more.

1. Items of an emotional or sentimental value belonging to the individual that are valued at less than $55.00 also shall be included in the individual’s personal possessions inventory (e.g., a family heirloom, a family photograph, a painting, a piece of jewelry, a collection of items such as baseball cards or dolls, etc.)
2. Each individual’s personal possessions inventory shall clearly provide the following information for each item catalogued:
3. Individual’s name;
4. Description of the item;
5. Date purchased or received as a gift;
6. Value of item or purchase price;
7. Brand name, model, and serial number of item, if any;
8. Date the item was discarded, given away, sold or was no longer in the individual’s possession; and
9. Reason the individual no longer has the item in his or her possession.
10. An individual’s personal possessions inventory shall be kept on file at the individual’s residence and shall be made available to persons with the right to access the individual’s HIPAA-protected information upon request.
11. The provider shall submit the personal possessions inventory annually to the individual’s PST prior to the IP meeting. The PST shall review the inventory prior to the IP and discuss any concerns at the meeting. The personal possessions inventory shall be included in the IP packet as an attachment. (Subdivision e - Revised as of July 1, 2018)
12. **Individual Monetary Asset Limits**
13. The federal Social Security Administration (SSA) and Connecticut’s Department of Social Services (DSS) have established rules that place limits on the total of an individual’s monetary assets. DDS uses the lower of the SSA and DSS limits, which historically has been the DSS asset limit, in order to comply with both the required SSA and DSS asset limits. An individual’s total monetary assets are the total amount in an individual’s bank accounts plus the total of an individual’s cash-on-hand (i.e., total of an individual’s personal funds).
14. A provider shall establish a procedure to notify an individual’s PST if the individual’s monetary assets reach ninety percent of the established asset limit. Because an individual may become ineligible for certain state and federal benefits, it is required that the individual’s monetary assets do not exceed these established asset limits.
15. DDS has income and asset limits for the use of an individual’s funds to pay for prescription and non-prescription medications. Providers should refer to **I.F.DR.004** [Use of Consumer Funds to Procure Prescription and Non Prescription Medications, and Outpatient Services](http://www.ct.gov/dds/lib/dds/dds_manual/if/consumer_funds/ifdr004_use_of_consumer_funds_prescription_non_prescription.pdf) in the DDS Manual for information on how an individual’s contribution from his or her personal funds for the purchase of prescription and non-prescription medications is based on the individual’s earned and unearned income amount.
16. **State and Federal Benefits**

An individual may receive his or her monthly financial benefits from various sources. An individual may receive benefits from Social Security Administration Title II (SSA), Supplemental Security Income Title XVI (SSI), and the Department of Social Services (DSS) Aid to the Disabled (AD). In addition to these SSA, SSI and DSS benefits, an individual may have wages from his or her employment opportunity or day services program, or wages from a job. The entire amount of an individual’s monthly benefits and earned income must be considered in order to calculate the exact amount of the individual’s monthly personal needs allowance.

1. **Representative Payee**
2. All representative payees are responsible for meeting representative payee requirements set by the Social Security Administration (SSA). These representative payee requirements may be viewed on the Social Security Administration’s website at this link: [Social Security Representative Payee](https://www.ssa.gov/payee/index.htm).
3. If the provider is an individual’s representative payee and maintains an individual’s monthly benefits in an aggregate account, the provider shall report these funds in their annual audited financial statement.
4. A provider is required to have policies and procedures in place that ensure that personal funds shall be available to residents under all circumstances, including when an individual has someone other than the provider as his or her representative payee. Each provider shall ensure that personal needs items are provided by the individual’s representative payee and that an individual’s personal funds available are approximately equivalent to the monthly portion of the individual’s personal needs allowance that has been calculated based upon the individual’s Social Security benefits.
5. When an individual has representative payee other than the provider, the provider is still required to make sure that an individual’s personal needs are met. These personal needs include, but are not limited to, an individual having appropriate clothing, personal care products, and easy access to personal funds for purchasing items or activities. The provider is not required to maintain records of the expenditures made on behalf of the individual by a representative payee when the representative payee is someone other than the provider.
6. When a representative payee other than the provider does not provide for an individual’s personal needs or for his or her personal needs allowance, the provider shall contact the representative payee to discuss the responsibilities required of the payee in managing the individual’s Social Security benefits to be used for the benefit of, and on behalf of, the individual. If the provider is unable to bring about a satisfactory remedy, the provider shall notify the individual’s DDS case manager.

1. **Personal Needs Allowance**
2. The determination of the amount of an individual’s monthly personal needs allowance depends in the individual’s type of residence. If the individual’s home is an ICF/IID-certified and licensed home then those individuals with Supplemental Security Income (SSI) or Social Security Administration (SSA) benefits receive a monthly personal needs allowance set by the Social Security Administration. If individuals reside in a licensed setting that is not ICF/IID-certified then the provider shall calculate the amount of the monthly personal needs allowance. The amount of an individual’s personal needs allowance depends on both the source and amount of the individual’s state and federal benefits.
3. In calculating an individual’s monthly personal needs allowance, the provider shall determine the total amount of the individual’s monthly state and federal benefits minus the monthly room and board payment from those benefits. The remaining amount of these state and federal benefits is the individual’s monthly personal needs allowance.
4. In calculating an individual’s monthly personal needs allowance, the provider shall determine the total amount of the individual’s monthly earned income for those individuals who receive Department of Social Services, Aid for the Disabled (DSS/AD) benefits. If an individual receiving DSS/AD has regular monthly earnings that exceed the maximum $65 earned income disregard, a portion of the individual’s earnings may need to be added to the individual’s monthly personal needs allowance, as per [The DSS STATE SUPPLEMENT PROGRAM IN CT BASIC ELIGIBILITY, Revised January 2012](http://www.ct.gov/dss/lib/dss/pdfs/state_supplement.pdf). Providers should refer to the DSS State Supplement and SAGA Licensed Boarding Facilities, A Guide for the Facility (currently under revision and not available on the DSS website) for further information on the determination of an individual’s “applied earned income.”
5. For individuals who receive DSS/AD benefits, the provider should refer to the [Department of Social Services' requirements](http://www.ct.gov/dss/cwp/view.asp?a=2345&q=490626) for reporting changes in the individual’s monthly earned income. Since the amount of the individual’s DSS/AD benefit is based on the individual’s total monthly state and federal benefits and earnings, any significant increase or decrease in the individual’s monthly earnings is required to be reported to DSS so that the appropriate adjustments to the individual’s DSS/AD benefit can be made. Timely reporting of changes in an individual’s earnings is important in order to avoid either a reduction of the amount of the individual’s benefits or a DSS/AD overpayment that would need to be repaid.
6. All of an individual’s state and federal benefits and earnings shall be accounted for by the provider in accordance with DDS, DSS, and Social Security requirements.
7. **Allowable Expenditures Made on Behalf of an Individual**
8. It is the responsibility of a provider to ensure that any expenditure of an individual's personal funds made on behalf of the individual is allowable. An allowable expenditure made on behalf of an individual is one that:
9. Directly benefits the individual;
10. Is not included as part of the provider's room and board rate or service rate;
11. Is not reimbursable by any other sources (i.e., Medicaid, private insurance, other DDS funding, or other state agency funding); and
12. Is of reasonable value and appropriate to the individual's needs and ability, as determined by the individual’s PST.
13. A provider shall have policies and procedures that require that any use of an individual’s personal funds on behalf of the individual shall be consistent with the individual’s expressed needs and desires and that the use of the individual’s funds has a direct benefit for the individual. It is the responsibility of the provider to determine the appropriateness of the use of personal funds made on behalf of an individual.
14. An individual’s personal funds shall not be used for any expenses that are reimbursable through either the DSS room and board rate or the DDS service rate and which are reported in the provider’s annual cost report (e.g., the cost of major repairs to a home for damages caused by an individual; telephone services; transportation).
15. An individual’s personal funds shall not be used for any expenses that are reimbursable through other DDS funding sources, another state agency’s funding, private insurance, or Medicaid. While an individual may need services not covered by the DSS room and board rate or the DDS service rate, a provider shall look to other sources of funding for these services before having the individual use his or her personal funds. In using an individual’s personal funds for procurement of prescription and non-prescription medications and outpatient services, the provider shall follow the requirements of **I.F.DR.004** [Use of Consumer Funds to Procure Prescription and Non Prescription Medications, and Outpatient Services](http://www.ct.gov/dds/lib/dds/dds_manual/if/consumer_funds/ifdr004_use_of_consumer_funds_prescription_non_prescription.pdf).
16. Any use of an individual’s personal funds for shared expenses (i.e., splitting a check at a restaurant, paying for group recreational activities) shall be directly proportionate to the benefit received by the individual. An individual shall not be charged for any group expense based upon the amount of personal funds available to an individual.
17. **Filing of an Individual’s Eligibility Re-Determination Documents**
18. The provider shall ensure that all of the individual’s eligibility re-determination documents are filed with the Department of Social Services (DSS) by the deadlines set by DSS. Failure to file these documents on time by the provider may result in the discontinuance of an individual’s benefits and affect the ability of DDS to seek Medicaid reimbursement for services rendered by the provider.
19. If an individual’s DSS eligibility re-determination documents are not filed on time by the provider and the individual’s benefits are delayed or discontinued, the provider shall notify the individual’s PST.
20. If an individual’s DSS eligibility re-determination documents are filed on time by the provider and the individual’s benefits are delayed or discontinued due to a reason beyond the provider’s control, the provider shall notify the individual’s PST.
21. A provider shall not use an individual’s personal funds to pay for any outstanding payment to the provider (e.g., room and board), including if the cause of the this outstanding payment is that the provider did not file DSS eligibility re-determination documents on time resulting in the individual’s benefits being delayed or discontinued.
22. **Group Purchases**
23. Group purchases by individuals living in the same home that result in joint ownership of an item of substantial value (i.e. an item where the individuals may each contribute $25 or more towards the purchase) are discouraged. If individuals determine that they wish to purchase an item together, then the group purchase shall be approved by each individual’s PST with specified terms and conditions of the purchased item’s use, disposal and depreciation of its value, which shall be documented in each individual’s IP.

1. Individuals in a home may share expenses for common personal needs. For example, household expenses like shared utilities, including cable TV or internet access, or the upkeep of a shared pet may be considered an appropriate use of an individual’s personal funds. The charges must be equally divided among all of the individuals who agree to participate in the purchase and who receive an equal benefit. Any common purchases of this type shall be approved by each individual’s PST and documented in each individual’s IP.
2. **Irrevocable Contracts for Funeral and Burial Expenses**
3. DDS encourages each individual receiving funding or services to purchase an irrevocable funeral service contract for funeral expenses. If purchased from a Connecticut funeral home the contract shall be in in accordance with the provisions of section 42-27 of the Connecticut General Statutes. If purchased from an out-of-state funeral home the allowable amount of the contract is subject to that state’s laws. An irrevocable contract for funeral expenses is not considered a financial asset and does not increase the total cash assets of an individual.

(Subdivision a - Revised as of August 1, 2018)

1. An individual may purchase a separate contract for burial space items, including the purchase of a burial plot, the opening and closing of a grave site, a cremation urn, a casket, and a headstone or marker.
2. Department of Social Services (DSS) policy and procedure concerning these types of funds is located on the DSS website at the following links:

[4030\_10.doc](http://www.ct.gov/dss/lib/dss/upm/upm4/4030_10.doc) Treatment of Specific Types - Burial Funds, Burial Plots, and Irrevocable Burial Funds

[4030\_15p.doc](http://www.ct.gov/dss/lib/dss/upm/upm4/4030_15P.doc) Treatment of Specific Types - Burial Funds, Burial Plots and Irrevocable Burial Funds

1. **Disbursement of Funds and Assets Upon the Death of an Individual**
2. When an individual receiving supports from a provider dies, the provider shall follow the requirements in **I.D.PR.001**[Mortality Reporting: Reporting Deaths of Individuals](http://www.ct.gov/dds/lib/dds/dds_manual/id_quality/mortality/pr_001_mortality_reporting_deaths_of_individuals.pdf).
3. When a provider learns of the death of an individual whom they support, the provider shall immediately secure all of the individual’s personal funds and personal property assets. After the notification that an individual has died, the individual’s assets may only be released upon the receipt of an official notification signed by a probate court judge.
4. In its effort to disburse the individual’s assets in a timely manner, the provider shall contact the deceased individual’s legal representative or next-of-kin regarding the disposition of any assets or personal possessions. If the legal representative or next-of-kin does not want these assets or personal possessions, the representative or next-of-kin may give them as gifts to another individual. Any of the deceased individual’s personal possessions given as gifts to another individual shall be documented in writing and signed by the individual’s legal representative or next-of-kin. Physical disposition of assets cannot be executed without the official notification signed by a probate court judge, as noted in Section 15b above.
5. **Provider Responsibilities for Personal Funds When an Individual Transfers to a New Home or a New Provider**
6. When an individual chooses to move to (1) another home supported by his or her current provider, or (2) a home supported by a new provider, an individual’s current provider is required to safeguard the individual’s financial interests. The individual’s current provider shall ensure that an individual’s personal funds and all associated documentation are transferred to the individual’s new home or new provider.
7. A provider shall have policies and procedures that describe the process by which an individual’s financial interests are protected for those who are transferring to a new home or to a new provider. These policies and procedures shall be in accordance with section [17a-227-20: Transfer](http://www.ct.gov/dds/cwp/view.asp?a=2839&q=331700) of the Regulations of Connecticut State Agencies.
8. An individual’s current provider shall transfer the individual’s bank accounts, bank account documentation, cash-on-hand, any other personal funds, and any corresponding documentation to the individual’s new home or new provider at the time of the transfer of the individual.
9. An individual’s new provider shall receive and account for the individual’s bank accounts, bank account documentation, cash-on-hand, any other personal funds, and any corresponding documentation transferred from the individual’s current provider. If the new provider is unsuccessful in obtaining the individual’s personal funds and documentation from the individual’s current provider, the new provider shall notify the individual’s DDS Case Manager.
10. If the current provider is the individual’s representative payee, it is the provider’s responsibility to inform the state or federal agency funding the individual’s benefits that the provider shall no longer be the individual’s representative payee. The provider shall adhere to the state or federal agency’s requirements on removing a provider as a representative payee. Representative Payee requirements for Social Security can be found at the following link: [Social Security Representative Payee Website](https://www.ssa.gov/payee/index.htm).
11. The benefits already paid to the current provider as representative payee on behalf of the individual may not be transferrable to the individual’s new provider. For further information please see: [Social Security Representative Payee Website](https://www.ssa.gov/payee/index.htm).
12. The individual’s new provider shall be responsible for completing the process to become an individual’s representative payee for each state or federal agency providing benefits. The process for the new provider to become the individual’s representative payee shall be completed in a timely manner to avoid disruption to the individual’s state or federal benefits.
13. **Transfer or Resignation of Residential Supervisors**

The provider shall implement a policy addressing how the agency will protect the individual’s personal funds and bank accounts when a staff person responsible for or having access to the individual’s personal funds or bank accounts resigns or is terminated.

1. **Audits by Providers of an Individual’s Accounts**

Any provider whose staff handles an individual’s personal funds shall perform periodic and unannounced internal audits of these accounts. Such routine monitoring of the use of an individual’s personal funds and all supporting documentation is intended to enhance the accountability of the provider for personal funds in line with DDS’s requirements.

1. **References**

None

1. **Attachments**

I.G.PR.008 Attachment A [Cash-on-Hand Ledger (Sample)](http://www.ct.gov/dds/lib/dds/dds_manual/ig/igpr008_attachment_a_cash-on-hand_ledger.docx)

I.G.PR.008 Attachment B [Personal Possessions Inventory (Sample)](http://www.ct.gov/dds/lib/dds/dds_manual/ig/igpr008_attachment_b_personal_possessions_inventory.docx)